



**YOUTH COMMUNITY CORRECTIONS BUREAU
GREAT FALLS YOUTH TRANSITION CENTERS
STANDARD OPERATING PROCEDURES**

Procedure No.: YTC 20-4	Subject: INTERNAL CONTROL AND MONITORING OF ACCOUNTING PROCEDURES
Chapter: FISCAL MANAGEMENT	Page 1 of 2
Applicable ACA Standards: 3-JCRF-1B-02, 3-JCRF-1B-06, 3-JCRF-1B-09, 3-JCRF-1B-10	Revision Date:
Signature: /s/ <i>Kenneth McGuire</i>	Effective Date: 01/01/10
Signature: /s/ <i>Steve Gibson</i>	

I. CENTERS DIRECTIVE:

Regulations and practices for internal control and monitoring of accounting procedures are designed to ensure the safekeeping of all facility funds and require continual monitoring of fiscal activities by external auditors. Fiscal policies require internal control of petty cash, staff bonding and signature control for checks and vouchers, and annual reporting to the parent agency of the facility's fiscal activities.

II. DEFINITIONS:

None

III. PROCEDURE:

A. Security of Funds

The facility director is responsible for the administration, collection, safekeeping, and monitoring of facility funds. In carrying out these duties, the following tasks shall be accomplished:

1. Storage of cash and negotiable funds in a fireproof safe in a secure location.
2. Safeguarding the transfer of all cash and/or negotiable funds by issuing receipts for all funds received, requiring receipts and documentation for all facility funds passed from one staff member to another, and physically transferring funds to the bank daily.

B. Signature Control of Checks

The facility director, or designee, are the only persons authorized to sign checks

C. Annual Accounting Report

An annual report of accounting procedures shall be prepared by the facility director for submission to the parent agency and shall list receipts, disbursements, and balances for each segment of the facility account and explain any problem areas.

Procedure No.: YTC 20-4	Chapter: FISCAL MANAGEMENT	Page 2 of 2
Subject: INTERNAL CONTROL AND MONITORING OF ACCOUNTING PROCEDURES		

D. Internal Audits

1. A review of fiscal activity shall be conducted quarterly, with reports prepared by the auditor.
2. A report of findings specifically related to the following shall be forwarded to the facility director:
 - a. Compliance with parent agency policy for fund control
 - b. Compliance with facility policy for fund control
 - c. Accuracy of funds compared with records
3. The facility director shall review the report and forward one copy to the parent agency. When appropriate, suggestions for improvement or corrective action shall be given to the program manager.

E. External Audits

A review of fiscal activity shall be conducted regularly by an independent auditing body. Detailed reports shall be provided to the parent agency and the facility director. These audits shall examine the level of compliance with standard fiscal procedures, parent agency requirements, and legislative requirements.

F. Audit Schedule

Present legislation recommends external, annual audits and mandates an external audit within a three-year interval.

IV. CLOSING:

Questions concerning this procedure shall be addressed to the Youth Transition Centers Director.

V. REFERENCES:

None

VI. ATTACHMENTS:

YTC 20-4 (A) Cash Reconciliation Form